First Quarter 2009

Exide is currently preparing the necessary logistics to implement the second phase of the residential cleanups. The 2009 cleanups will consist of approximately 43 residential properties. Properties that require soil cleanup and have not been contact by Exide's contractors this year will be cleaned up in 2010. In preparation for the soil cleanup Exide is presently surveying the properties. The information from the survey will be used to develop individual cleanup plans that will address the specific layout and condition of each property. Prior to the cleanups Exide will schedule pre-meetings with the property owners to explain the soil cleanup and to address any concerns that the property owners may have. Exide has started to schedule the pre-meetings with the property owners. The pre-meetings will take place during the months of March, April and possibly May. Exide will work with the property owners to insure that the cleanups will meet the owners' satisfaction. The 2009 residential cleanups will begin late spring/early summer and will continue into the fall.

In June 2008, the City of Reading submitted an official request to the Pennsylvania Department of Health (PADOH) and the Agency for Toxic Substances and Disease Registry (ATSDR) to review the Final Draft Human Health Risk Assessment for the Northwest Portion of Bernhart Park Report. The PADOH and ATSDR are in the final stage of submitting the final draft report. EPA anticipates that the final draft report will be available for public comment by the end of April. The PADOH and ATSDR will review and consider all public comments prior to finalizing the report.

In addition to the human health risk assessment for Bernhart Park, Exide is in the process of completing the ecological risk assessment. Additional soil samples at greater depths were collected in January 2009 to assess the ecological impact of lead in soil. Along with the supplemental soil samples Exide will conduct a fish study later this spring to evaluate the impact of aquatic life and the consumption of fish that are caught from the reservoir.